Page 1

From:

Paul Baker

To:

Berry, Penny; Munson, Tom

Date:

4/29/2009 3:07 PM

Subject:

Fwd: Alan D. Newman, chapt 7 case no. 09-51162-gwz

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Paul Baker Minerals Program Manager Utah Division of Oil, Gas and Mining 801-538-5261 Fax 801-359-3940

>>> Steve Alder 4/29/2009 1:31 PM >>> William W. Harrison Sparks Legal Clinic Marianne Eardley Chapter 7 Trustee

Dear Mr. Mr. Harrison and Ms. Eardley,

I appreciated speaking with each of you yesterday. I am writing to provide you with the documents supporting the Utah Division of Oil, Gas and Mining and the BLM's claims to a CD number 3887 issued October 6, 2006 in the amount of \$12,000.00 and to the Division provided by Mr. Newman as a reclamation surety for the New-6 Mine located in Millard County Ulah. I understand from Mr. Harrison that it is the intention of Mr. Newman to relinquish any claims he may have to the CD rather than to elect to fulfill his obligation to reclaim the site.

Attached is the "small mine reclamation contract", for the mine (submitted October 10, 2006) and the Attachment A to it (an October 10, 2006 letter regarding control and redemtion of the CD) and the "time deposit agreement".

I am informed that there are more than 3 acres of disturbance. By Utah law (Section 40-8-14 Utah Code) the if the operator fails or refuses to reclaim the lands as obligated by the reclamation contract, the Division may seek an order from the Utah Board of Oil, Gas, and Mining forfeiting the surety. I understand that the funds are not claimed by the debtor (the debtor has no right to the funds pursuant to the agreement until the reclamation is complete.) The Division is obligated to use funds provided as surety solely for the reclamation of the site and to return any unused funds to the persons entitled thereto. After the reclamation work is completed and revegetation has been determined successful you will be advised if there are any remaining funds.

I understand that the CD was very recently transferred to the Nevada State Bank, Las Vegas, NV by the Federal Deposit Insurance Corporation (FDIC) as receiver for the Great Basin Bank of Nevada.

Please advise if there is any additional information you may need.

I am having trouble getting the documents attached, so i will send this 'as is' and follow with a forwarded email with the documents.

Steve Alder Assistant Utah Attorney General 1596 West North Temple, #300 Salt Lake City, Utah 84116 tel (801) 538-5348